

What price silver? Collectors ride on a wave of buying

By Roger Boye

BUSINESS IS brisk at many Chicago and suburban coin stores this winter, thanks in large part to the surging prices of silver and gold bullion.

"Whenever there's a lot of publicity about precious metals, the phone starts ringing," a suburban coin dealer said. "The stories seem to bring the speculators and the investors out of the woodwork."

Already this year, both gold and silver have set price records, with silver quoted at more than \$7.60 an ounce during part of this month. At that high price, many coin dealers pay more than five times face value for common-date United States dimes, quarters, and half-dollars minted before 1965, the so-called "bulk silver coins."

By comparison, early last year a collector could get only \$3.30 for each dollar's worth of common-date silver coins. In the mid-1960s, of course, the silver in a U.S. coin was worth less than the coin's face value. (Most U.S. coins made since 1965 do not contain silver.)

"The bullion coin market has been very strong this year, with a lot of people buying and selling," said Ned Fishkin, manager of the coin and stamp department at Carson Pirie Scott & Co. He added that prices for the bulk silver and bullion gold coins often fluctuate several times daily, due to the volatile precious metal markets.

"It's impossible to make an exact quotation over the phone. If I did, the customer might come in two hours

later and the prices probably would have changed," he said. Instead, Fishkin usually gives the phoning customer a price range.

Another Chicago dealer, Louis Goldstein of Lucky Lou Coins, has received several calls from persons with large quantities of bulk silver coins for sale.

"They want to unload them when the price is high, and are calling around to find the dealer who will give them that extra nickel," he said.

Bulk silver coins are valuable strictly for their silver content, not as collectors' items. But dealers report that many collectible coins—those with the scarcer dates and mint marks—are also in big demand. For example, silver dollars minted before 1936 have continued to be popular in recent weeks.

At Chandler's, Inc., in Evanston, there were fewer than a dozen silver dollars under the display case on a recent afternoon, and those coins obviously had been picked over. The company president told a disappointed customer, "I wish I had more, but the good ones go out as fast as I get them in." Uncirculated silver dollars are in greatest demand, he added.

Just a year ago, dealers paid collectors \$3.90 to buy a common-date silver dollar in very fine condition. Today, with higher silver prices, dealers are offering \$6.10 for the same coin.

Prices for coins can and do drop, of course. Indeed, some observers believe the price bubble will burst soon, and others insist a leveling-off period is overdue, for both the collectible coins and the bulk silver coins.

But so far this year, at least, coin prices have been on the increase.